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## **Hong Kong**

Post: Hong Kong

# **Hong Kong Imposes Hold and Test Measures on German Eggs and Poultry**

### **Report Categories:**

Agricultural Situation Agriculture in the News Poultry and Products Livestock and Products

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#### **Report Highlights:**

On January 10, 2011, the Hong Kong government (HKG) announced that they will hold and test imported German eggs and poultry for dioxin. Products will be released into the market after test results are confirmed to be satisfactory. Test results are expected to be available in 7 days. The HKG imposed this measure as a result of the detection of dioxin in some eggs and poultry produced in Germany. While the new measures may not be particularly news worthy in terms of current trade impact, it may provide insight into how the HKG intends to exercise its newly attained food recall power.

#### **General Information:**

On January 10, 2011, the Hong Kong government (HKG) announced that they will hold and test imported German eggs and poultry for dioxin. Products will be released into the market after test results are confirmed to be satisfactory. Test results are expected to be available in 7 days. The HKG imposed this measure as a result of the detection of dioxin in some eggs and poultry produced in Germany. Samples of German eggs and other meat products such as sausages were taken from retail outlets and tested for dioxin. Results are not yet available. Meanwhile, the government requested the trade to stop selling German eggs and advises the public not to consume German eggs and poultry at the moment until test results are available.

However, the HKG did not impose import ban or recall on German eggs and meat products. The official explained that there is no advice from the European Commission regarding the banning of any sales of eggs or poultry or any other type of meat so far.

Hong Kong imported US\$1.5 million and US\$14 million worth of German eggs and poultry respectively in the first 11 months of 2011. The "hold and test" measure on German eggs and poultry meats is not expected to have any significant impact on supply because Germany only accounts for about 1 percent of Hong Kong's import market share of eggs and poultry meat. They have a limited market share because their products are relatively more expensive than other major suppliers.

Although Germany has a bigger market share in pork than in eggs or poultry meats, the impact on pork market will not be significant either if the "hold and test" policy is to be extended to pork. German pork and sausages are mostly used in high-end restaurants. Hong Kong traders could easily find product substitutes. The fact that the Hong Kong government has not taken any immediate action on pork products also allows traders to have time to adjust their orders. In the meantime, the HKG did not indicate that they will take any further action but will continue to monitor the development of the incident.

While the new measures may not be particularly news worthy in terms of current trade impact, it may provide insight into how the HKG intends to exercise its newly attained food recall power. To address public health concerns, the HKG introduced an Amendment to the food law the empowers the Director of Food & Environmental Hygiene (FEHD) to prohibit the import and supply of problem food and order a recall of the problem food when the authority has reasonable grounds to believe that the making of the order is necessary to prevent or reduce a possibility of danger to the public's health. This latest action signals that the HKG is taking a cautious approach in using its power. The amendment came into operation on May 8, 2009.

Table 1. Hong Kong: Imports of Eggs in Quantity

	Hong Kong Import Statistics										
Commodity: 040700, Eggs, Bird, In Shell, Fresh, Preserved Or Cooked											
Year To Date: January - November											
Danta au Carratur	l linit		Quantity			% Share		% Change			
Partner Country	Unit	2008	2009	2010	2008	2009	2010	2010/2009			
World	THS	1,633,053	1,675,078	1,737,942	100.00	100.00	100.00	3.75			
China	THS	1,109,724	1,032,650	1,168,443	67.95	61.65	67.23	13.15			
U.S.	THS	173,801	305,201	319,133	10.64	18.22	18.36	4.56			
Thailand	THS	290,339	255,848	117,862	17.78	15.27	6.78	- 53.93			
Malaysia	THS	8,287	9,189	42,449	0.51	0.55	2.44	361.95			
Vietnam	THS	20,238	24,966	23,235	1.24	1.49	1.34	- 6.93			
Japan	THS	7,501	15,626	19,828	0.46	0.93	1.14	26.89			
Germany	THS	16,681	20,708	18,840	1.02	1.24	1.08	- 9.02			
Netherlands	THS	0	0	6,999	0.00	0.00	0.40	0.00			

Source : Global Trade Atlas - Hong Kong Census & Statistics Department

Table 2. Hong Kong: Imports of Eggs in US\$

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	Hong Kong Import Statistics										
Commodity: 040700, Eggs, Bird, In Shell, Fresh, Preserved Or Cooked											
Year To Date: January - November											
Dartner Country	Uni	ted States Dolla	rs		% Share		% Change				
Partner Country	2008	2009 2010		2008	2009	2010	2010/2009				
World	103,827,804	110,594,108	116,042,647	100.00	100.00	100.00	4.93				
China	63,910,893	62,170,335	71,854,175	61.55	56.21	61.92	15.58				
U.S.	13,622,529	19,571,498	20,834,625	13.12	17.70	17.95	6.45				
Thailand	18,800,149	19,077,037	10,054,272	18.11	17.25	8.66	- 47.30				
Vietnam	2,840,031	3,390,455	3,142,496	2.74	3.07	2.71	- 7.31				
Malaysia	916,431	896,014	2,941,254	0.88	0.81	2.53	228.26				
Japan	1,091,371	1,804,674	2,644,499	1.05	1.63	2.28	46.54				
Germany	1,938,735	2,492,719	1,464,121	1.87	2.25	1.26	- 41.26				
N. Zealand	358,627	462,416	994,381	0.35	0.42	0.86	115.04				
Latvia	0	0	561,833	0.00	0.00	0.48	0.00				
Netherlands	0	0	493,299	0.00	0.00	0.43	0.00				

Source : Global Trade Atlas - Hong Kong Census & Statistics Department

Table 3. Hong Kong: Imports of Poultry Meats in Quantity

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Hong Kong Import Statistics										
UDG: Poultry Meat, Group 27 (2007)										
Year To Date: January - November										
Partner Country	11		Quantity			% Share				
	Unit	2008	2009	2010	2008	2009	2010	2010/2009		
World	Т	683,586	741,024	993,356	100.00	100.00	100.00	34.05		
United States	Т	96,480	118,042	377,319	14.11	15.93	37.98	219.65		
Brazil	Т	378,031	399,931	319,726	55.30	53.97	32.19	- 20.05		

China	Т	119,654	124,635	137,675	17.50	16.82	13.86	10.46
Poland	T	2,203	7,304	17,195	0.32	0.99	1.73	135.40
France	Т	13,346	11,901	14,877	1.95	1.61	1.50	25.00
United Kingdom	Т	986	7,207	14,491	0.14	0.97	1.46	101.06
Netherlands	Т	6,847	4,682	13,288	1.00	0.63	1.34	183.82
Canada	Т	14,453	14,653	13,031	2.11	1.98	1.31	- 11.07
Argentina	Т	14,870	8,320	12,518	2.18	1.12	1.26	50.46
Germany	Т	5,005	4,351	10,808	0.73	0.59	1.09	148.40

Source : Global Trade Atlas - Hong Kong Census & Statistics Department

Table 4. Hong Kong: Imports of Poultry Meats in Value

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		Hong Ko	ng Import Statistic	S							
		UDG	: Poultry Meat,								
Year To Date: January - November											
Partner	Ur	nited States Dollar	·s		% Share		% Change				
Country	2008	2009	2010	2008	2009	2010	2010/2009				
World	1,045,528,522	1,102,206,294	1,512,938,384	100.00	100.00	100.00	37.26				
Brazil	592,680,065	615,378,335	546,103,020	56.69	55.83	36.10	- 11.26				
United States	126,979,059	150,441,855	515,274,196	12.14	13.65	34.06	242.51				
China	192,785,023	187,011,934	218,737,790	18.44	16.97	14.46	16.96				
France	28,817,040	24,313,888	26,670,911	2.76	2.21	1.76	9.69				
Poland	5,658,294	13,913,956	25,822,039	0.54	1.26	1.71	85.58				
U.K.	1,401,315	9,732,740	20,643,128	0.13	0.88	1.36	112.10				
Argentina	16,874,008	9,972,832	19,081,215	1.61	0.90	1.26	91.33				
Thailand	253,635	17,603,270	18,871,490	0.02	1.60	1.25	7.20				
Canada	17,104,100	17,743,627	17,612,387	1.64	1.61	1.16	- 0.74				
Netherlands	8,706,268	6,110,406	14,666,974	0.83	0.55	0.97	140.03				
Germany	6,973,334	4,849,130	14,183,201	0.67	0.44	0.94	192.49				

Source : Global Trade Atlas - Hong Kong Census & Statistics Department

Table 5. Hong Kong: Imports of Pork in Quantity

Hong Kong Import Statistics UDG: Pork,										
Year To Date: January - November										
Dautaan Carreton		% Change								
Partner Country	Unit	2008	2009	2010	2008	2009	2010	2010/2009		
World	Т	455,526	393,344	380,658	100.00	100.00	100.00	- 3.23		
China	Т	81,421	95,256	108,318	17.87	24.22	28.46	13.71		
Brazil	Т	68,396	71,825	53,087	15.01	18.26	13.95	- 26.09		
Spain	Т	45,002	38,932	33,285	9.88	9.90	8.74	- 14.51		
Germany	Т	53,135	37,352	32,769	11.66	9.50	8.61	- 12.27		
United States	Т	67,238	43,350	32,284	14.76	11.02	8.48	- 25.53		
Netherlands	Т	26,927	16,363	17,013	5.91	4.16	4.47	3.97		

Source : Global Trade Atlas - Hong Kong Census & Statistics Department

Table 6. Hong Kong: Imports of Pork in Value

uble 6. Hong Rong. Imports of Fork in Value											
Hong Kong Import Statistics											
UDG: Pork,											
	Year To Date: January - November										
United States Dollars % Share % Chan											
Partner Country	2008	2008 2009 2010 2008 2009 2010 2010/									
World	892,426,409	795,650,930	798,591,557	100.00	100.00	100.00	0.37				
China	219,676,295	260,575,990	291,218,848	24.62	32.75	36.47	11.76				
Brazil	181,268,997	161,575,281	136,527,591	20.31	20.31	17.10	- 15.50				
United States	116,982,858	77,217,421	68,779,992	13.11	9.70	8.61	- 10.93				
Spain	66,558,121	57,133,594	52,749,601	7.46	7.18	6.61	- 7.67				
Germany	72,421,936	55,758,677	46,710,890	8.12	7.01	5.85	- 16.23				
Netherlands	38,366,372	26,699,257	29,040,398	4.30	3.36	3.64	8.77				

Source : Global Trade Atlas - Hong Kong Census & Statistics Department